



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-3000

OFFICE OF HEALTHY HOMES AND
LEAD HAZARD CONTROL

POLICY GUIDANCE NUMBER: PGI 2011-01		DATE: October 15, 2011
SUBJECT:	Updated Line of Credit Control System (LOCCS) Reimbursement Procedures	
STATUS:	Current	
APPLICABILITY:	All OHHLHC grant programs	
RELATED GUIDANCE:	24 CFR 84, 24 CFR 85, OMB Circulars A-21, A-87, and A-122	
COMMENTS:	This Policy Guidance Issuance supersedes PGI 2010-01, issued on December 1, 2010 , which has been rescinded	

Purpose: The Office of Healthy Homes and Lead Hazard Control (OHHLHC) is issuing this policy guidance to improve policies and procedures related to federal reimbursements for eligible costs and activities. The previous PGI 2010-01, Revised Line of Credit Control System (LOCCS) Reimbursement Procedures, is being replaced with this Guidance.

The Government Technical Representative (GTR) assigned to a grant is responsible for the review and approval of grantee requests for payment through the Line of Credit Control System (LOCCS). The GTR ordinarily approves or rejects grantee payment requests within five business (5) days of the request for reimbursement (i.e., LOCCS request date). Under some circumstances, such as illness or lack of required documentation, the time required for approval may vary.

Grantees must submit the following documentation, including, but not limited to:

1. Part 3 Financial Reporting Form (attached)
2. VRS Request Voucher for Grant Payment, Form HUD 27053 (attached)
3. Supporting documentation for all costs on VRS requests exceeding \$100,000
4. Any other documentation requested by the GTR

The following reimbursement process is being implemented in connection with this new policy guidance:

1. The Grantee makes reimbursement request using the VRS telephone system;
2. The Grantee emails and/or faxes copies of original documents required in support of request to the grantee's assigned GTR:
 - a. Complete documentation in support of requests exceeding \$100,000 will be required for all direct costs, including personnel (direct labor) and fringe benefits. A description of direct costs is provided in the Notice of Funding Availability (NOFA) under which the award was made.
 - b. For requests less than \$100,000, the Part 3 Financial Reporting Form and the VRS Request Voucher for Grant Payment Form-HUD 27053 are required, unless other

additional provisions are required in the grant agreement. The OHHLHC will not approve LOCCS requests without all required documentation.

3. Within five business (5) days of receipt by fax and/or email, the GTR reviews submitted documentation in accordance with the above requirements, and verifies eligibility of reimbursements being requested. GTRs may review and approve emailed or faxed requests.
4. If required documentation is not included via email and/or fax, the OHHLHC will not authorize the approval of the reimbursement and/or may reject the request;
 - a. If additional documentation is required, the GTR notifies the grantee by email. The GTR will review resubmitted documentation for compliance with requirements; and,
 - b. Once all required documentation is submitted, the GTR approves or rejects request;
5. The GTR approves or rejects the Request Voucher for Grant Payment in the LOCCS based on review of submitted documentation. Grantees are notified by phone and/or email for rejected voucher(s) and instructions for resubmitting the revised voucher(s).
6. Funds are dispersed to the grantee account by the US Department of Treasury typically within three business days of approval.
7. If this is the grantees final LOCCS request, OHHLHC suggests the request not be entered into the LOCCS system until the final report has been received and approved by the GTR.
 - a. Since the final payment will not be approved until after receipt and approval of the grantee's close out report (which is due 90 days after the period of performance), the last LOCCS payment may be made up to 120 after the last day of the period of performance.
 - b. Required documentation for close out include, at a minimum, the final narrative report, final quarterly report to be completed, final form SF 425, final Part 3 Final Reporting Form, and final VRS Request Voucher for Grant Payment, Form HUD 27053.

OHHLHC will not approve grantee LOCCS requests without required supporting documentation.

The GTR, in compliance with the Department's grant monitoring process, may at any time, but not less than once per year, require that all supporting documentation for any requests for reimbursement be submitted to the GTR regardless of the amount of reimbursement being requested.

Grantees must ensure that all documentation associated with LOCCS payment requests are retained according to record retention requirements outlined in the OMB Circulars that govern the recipient organization. Records related to the grant program must be made available for inspection by HUD or its designee as stipulated in the grant agreement.